

turers and in fact the footwear manufacturers are requesting the STC to take away the middlemen, who are also exporting to the Soviet Union.

**श्री कमलनयन बजाज :** डिक्टेड करने का सवाल नहीं है, मैं तो यह जानना चाहता था कि कितने दामों में हमारे वे जूते वहां कंज्यूमर्स को मिलते हैं ?

**श्री मनुभाई शाह :** हमें क्या जरूरत है कि वहां कितने दामों में पड़ते हैं ?

**Shrimati Sharda Mukerjee:** Is it a fact that tenders are accepted from suppliers who have no experience of shoe manufacture and that consignments have been returned from Russia and East European countries because the consignments were not satisfactory?

**Shri Manubhai Shah:** That is a four-year old story. No consignment has been returned since then.

**Shri Ranga:** Is it not possible for the Government to fix minimum wages to be paid for the people employed in that industry, instead of depending merely on the goodwill of the small producers, or to organise trade boards on the lines on which they are organised in the United Kingdom in order to help these cottage industry workers?

**Shri Manubhai Shah:** This represents only one per cent of the total production of footwear. The question of wage is really a problem which has to be tackled by the respective State Governments for the entire industry which manufactures shoe for the country.

**श्री जगदेव सिंह सिद्धान्ती :** हमारे देश के बने हुए जूते किस किस देश को पसन्द हैं ?

**श्री मनुभाई शाह :** पसन्द तो सब को हैं लेकिन अभी जो ज्यादा बिजनेस चल रहा है वह तो रूस से बन रहा है लेकिन मेरी यह भाशा है कि अगले दो सालों में मद्रास,

गुजरात, पंजाब, उत्तर प्रदेश और बंगाल आदि सभी राज्यों में, हम एक, एक सेंटर इस के लिए खोलना चाहते हैं जिन के कि द्वारा हम यह जूते बनवायें और सारे देशों को बेचें ।

**Shri Warrior:** May I know whether there is any increase in the rates agreed upon for this year's export as compared with the rates for last year or the year before last? What is the position?

**Shri Manubhai Shah:** The quantity has increased from 300,000 pairs to 6 lakh pairs and this year it will be 1 million pairs. In the price also there has been a rise of Rs. 3 to Rs. 4. But what the fabricators are complaining of is that whereas the STC gives them a higher price, the private people give them Rs. 3 or Rs. 4 less. This is what we are examining.

12:00 hrs.

#### SHORT NOTICE QUESTION

#### Prices of Motor Vehicles

8. { **Shri Joachim Alva:**  
**Shri P. C. Borooah:**

Will the Minister of **Industry and Supply** be pleased to state:

(a) whether Government propose to increase the prices of cars, jeeps, trucks and other vehicles and if so, the reasons therefor; and

(b) whether the prices have been already increased in the market in an unauthorised and disproportionate manner before Government passed the requisite orders?

**The Minister of Heavy Engineering and in the Ministry of Industry and Supply (Shri T. N. Singh):** (a) and (b). Presumably the reference is to price increases consequent on the 10 per cent regulatory customs duty announced by the Finance Minister

on 17th February 1965. Government generally permit automobile manufacturers to increase prices resulting from increased incidence of customs excise duties envisaged in the Finance Bills. In such cases, general authorisation is issued sometime after the Finance Bill is introduced. This practice has been followed for the last few years. In regard to this particular year, the question of permitting the automobile manufacturers to increase the prices of vehicles manufactured by them on account of the 10% Regulatory Customs duty on the imported components etc. announced by Government with effect from 17th February, 1965, and also on account of the levies envisaged in the Finance Bill 1965, is still under consideration and Government's formal approval in this regard is still to be conveyed to the manufacturers.

**Shri Ranga:** It will be done after the Finance Bill is passed.

**Shri T. N. Singh:** It is true that, in the meantime, some of them have increased prices according to their estimate of the incidence of the 10 per cent regulatory customs duty. Government will examine to what extent such increases are excessive or improper and will take suitable action.

**Shri Joachim Alva:** Is it true that prices have been increased even before the actual authorisation was made by the Ministry and that manufacturers have been increasing the prices, first, in the name of higher prices of tyres and, secondly, Fiat got an increase last year? Under the constant pressure of automobile dealers the Ministry is helpless.

**Shri T. N. Singh:** I have already stated that they have increased the prices so far as customs and other duties are concerned without the permission of Government so far. This is what I said, I am going to examine the question and take necessary action.

**Shri Joachim Alva:** In the first place, the constant pressure of auto-

mobile manufacturers prevented us from getting a car in the public sector and now in the matter of jeeps, I want to know whether Government is keeping a strict watch over any increase at least in the price of jeeps.

**Shri T. N. Singh:** I must assure the House that so far as is legitimate no increase in prices will be allowed; but, if the duties are increased, and that is a legitimate incidence on prices, I think, I have to be fair.

**Shri P. C. Borooah:** May I know whether it is a fact that while the indigenous content in automobile manufacture in India is increasing, the price increases and along with it, side by side, mechanical defects are also increasing? What is the reason for this and what steps have been taken to eliminate these things?

**Shri T. N. Singh:** I think, the House will recall that I have ordered an inquiry into the cost structure of ancillary spare parts of motor cars and automobiles. It is true that with the increase in indigenous content of most of our vehicles, prices have gone up, the reasons attributed therefore so far mostly being that the prices of the indigenous components and parts, which are now being used by them in place of the imported ones, are higher; therefore, the costs go up. It is for this reason that an investigation is being made into the cost structure of parts and components.

**Shri Ansar Harvani:** In the field of production of Fiat cars both India and the United Arab Republic entered simultaneously, but the price of the car is much less in the United Arab Republic and more in India, What is the reason for this?

**Shri T. N. Singh:** There are various reasons. It may be higher cost of production here....

**Shri Ranga:** What is this "may be"?

**Shri Vasudevan Nair:** What is all this?

**Mr. Speaker:** Order, order. If the hon. Minister has got any information, he might give.

**Shri T. N. Singh:** There is a suggestion, Sir, that taxes levied by Government have added to the prices. All these matters are under examination. That is why I said that I do not want to make a definite statement regarding the incidence of various components and spare parts.

**Shri Ranga:** Say, you do not know....(Interruption).

**Shri T. N. Singh:** I do not want to prejudge the inquiry that is being made in regard to some of these things. For that reason I said that there are various reasons.

**डा० राम मनोहर लोहिया :** अध्यक्ष महोदय, मेसरलूमेट गाड़ी ढाई हजार रुपये में जर्मनी में तैयार होती है। क्या उस को यहां बनाने का कोई प्रस्ताव सरकार के सामने आया है और उस पर सरकार ने क्या किया है? मैं यह साफ़ कर दूँ कि मैं निजी इस्तेमाल की गाड़ी बनाने के बारे में नहीं पूछ रहा हूँ—सिर्फ टैक्सी के लिए।

**श्री त्रि० ना० सिंह :** डी० के० डब्ल्यू० के बारे में एक प्रस्ताव हमारे सामने आया है। यहां के एक प्रसिद्ध मैन्युफैक्चरर के जरिये उन्होंने ने उस की बात छोड़ी है। मैं यह नहीं कह सकता कि उस का दाम ढाई हजार है या क्या है। अब तक मुझे वहां से जो सूचना मिली है, उस से मेरे पास ऐसा कोई अन्दाज़ नहीं है।

#### WRITTEN ANSWERS TO QUESTIONS

##### Zinc smelter Plant

\*812. **Shri Vidya Charan Shukla:** Will the Minister of Steel and Mines be pleased to refer to the reply given

to Starred Question No. 229 on the 27th November, 1964 and state the progress made in regard to the establishment of a zinc smelter plant in the country with Polish collaboration?

**The Minister of Steel and Mines (Shri Sanjiva Reddy):** A feasibility report for establishing a zinc smelter in the country was prepared by Polish experts. The Report covers such matters as the composition and quantity of zinc concentrates required, the technological processes to be employed, the location of the plant and the broad time schedule for the project. This report has been studied by our technical experts and a decision for preparation of a detailed project report by the Polish agency will be taken shortly. In accordance with the recommendation made by the experts in the feasibility study, steps are being taken to arrange for a long term supply of zinc concentrates of the required analytical composition.

##### Agro-Industrial Complex

\*816. **Shri Shiv Charan Mathur:** Will the Minister of Industry and Supply be pleased to state:

(a) whether it is a fact that M/s. Hindustan Lever, Ltd. have successfully set up an Agro-industrial complex in some of the villages of U. P. and have been able to achieve higher production and higher income for the villagers; and

(b) if so, the salient features of the scheme?

**The Deputy Minister in the Ministry of Industry and Supply (Shri Bibudhendra Misra):** (a) and (b) M/s. Hindustan Lever Ltd. have set up at Etah in Uttar Pradesh an industrial unit for the production of milk powder, ghee and casein. The Government understand that as part of the scheme the company propose extending credit facilities to farmers in the area for the purchase of cattle, cattlefeed, fertilisers and seeds.